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ARIZONA CORPORATION COMMISSION

May 3, 2005

Chairman Jeff Hatch-Miller Commissioner William Mundell Commissioner Marc Spitzer Commissioner Mike Gleason

Re: Preferred Provider Arrangements, Docket No. T-03471-A-05-0064.

Dear Colleagues and Parties to the Docket:

As you know, there are two dockets currently pending at the Commission that bear on the question of so-called "preferred provider" arrangements between telecommunications providers and developers. One involves a specific complaint filed by Accipiter Communications against Cox Arizona Telecom, L.L.C., Vistancia L.C.C., and Shea Sunbelt L.L.C. The other is a generic docket designed to investigate the prevalence of this practice in our state and to begin to address it from a policy perspective.

In both dockets, Staff has encountered varying degrees of resistance on the part of Cox to provide requested information, a recalcitrance which forced Staff to resort to filing Motions to Compel. Cox has proffered some information in the complaint docket, but has so far failed to file responses to data requests in the generic docket. To that point, Judge Dwight Nodes has scheduled a procedural conference on the Motions to Compel for May 4.

The data requests in the generic docket were due on March 18, 2005. Many Arizona telecommunications companies have already complied with Staff's request for information in the generic docket and have done so promptly. I believe Cox has a duty to provide this information without further delay.

I look forward to reading Cox's responses in the docket and to analyzing the implications of these arrangements for our state and for the Commission's regulatory authority.

Sincerely,

Kris Mayes Commissioner Cc: Ernest Johnson

Maureen Scott Brian McNeil Heather Murphy